Introduced by Assembly Member Chesbro

February 19, 2010

An act to amend Sections 1100, 1101, 1105, 1110, 1112, 1114.5, 1125, 1126, 1127, 1128, 1132, 1133, 1140, 1141, 1150, 1170.3, 1177, 1190.1, 1192, and 1195 of, and to amend the heading of Division 5 (commencing with Section 1100) of, the Harbors and Navigation Code, relating to bay pilots, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2637, as introduced, Chesbro. Bay pilots: Humboldt Bay.

(1) Existing law establishes the Humboldt Bay Harbor, Recreation, and Conservation District within Humboldt County. Existing law provides for the regulation and licensing of pilots for Humboldt Bay by the Board of Commissioners of the Humboldt Bay Harbor, Recreation, and Conservation District.

Existing law provides for the regulation and licensing of pilots for Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun by the Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun.

This bill would apply those provisions also to persons who pilot vessels into or out of any harbor or port of the bay of Humboldt Bay.

(2) Under existing law, any person who does not hold a license as a pilot or as an inland pilot and who pilots any vessel into or out of any harbor or port of Monterey Bay or the Bays of San Francisco, San Pablo, or Suisun, or who acts as a pilot for ship movements or special operations upon the waters of any of those bays, is guilty of a misdemeanor.

AB 2637 -2-

By expanding the scope of persons subject to that law to include pilots in Humboldt Bay, the bill would impose a state-mandated local program by creating a new crime.

(3) Existing law requires all moneys received by the Board of Pilot Commissioners pursuant to any statute to be deposited in the Board of Pilot Commissioners' Special Fund. The fund is continuously appropriated for the payment of the compensation and expenses of the board, its officers and employees, and the pilot training programs. Existing law specifies the rates for pilotage for vessels entering or leaving Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun. Existing law also imposes various surcharges for, among other things, board operations, training programs, and pension benefits.

Because this bill would increase the amount of money deposited in a continuously appropriated fund, the bill would make an appropriation.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

SECTION 1. The heading of Division 5 (commencing with Section 1100) of the Harbors and Navigation Code is amended to read:

DIVISION 5. PILOTS FOR HUMBOLDT BAY, MONTEREY
 BAY, AND THE BAYS OF SAN FRANCISCO, SAN PABLO,
 AND SUISUN

8

10

11 12

13

14

15

16

4

SEC. 2. Section 1100 of the Harbors and Navigation Code is amended to read:

1100. The Legislature finds and declares that it is the policy of the state to ensure the safety of persons, vessels, and property using *Humboldt Bay*, Monterey Bay, and the Bays of San Francisco, San Pablo, and Suisun, and the tributaries thereof, and to avoid damage to those waters and surrounding ecosystems as a result of vessel collision or damage, by providing competent,

-3-**AB 2637**

efficient, and regulated pilotage for vessels required by this division 2 to secure pilotage services.

- SEC. 3. Section 1101 of the Harbors and Navigation Code is amended to read:
- 1101. The Legislature further finds and declares all of the following:
- (a) The maritime industry is necessary for the continued economic well-being and cultural development of all California citizens.
- (b) The Bays of San Francisco, San Pablo, and Suisun provide a vital transportation route for the maritime industry.
- (c) The increase in vessel size and traffic, and the increase in cargoes carried in bulk, particularly oil and gas and hazardous chemicals, create substantial hazards to the life, property, and values associated with the environment of those waters.
- (d) The federal government has long adopted the policy of providing minimum standards that ensure port and waterway safety while encouraging state control over pilot qualifications and licensing.
- (e) A program of pilot regulation and licensing is necessary in order to ascertain and guarantee the qualifications, fitness, and reliability of qualified personnel who can provide safe pilotage of vessels entering and using *Humboldt Bay*, Monterey Bay, and the Bays of San Francisco, San Pablo, and Suisun.
- (f) The need to ensure safe and pollution-free waterborne commerce requires that pilotage services be employed in the confined, crowded, and environmentally sensitive waters of those bays.
- (g) Bar pilotage in the Bays of San Francisco, San Pablo, and Suisun has continuously been regulated by a single-purpose state board since 1850, and that regulation and licensing should be continued.
- (h) The individual physical safety and well-being of pilots is of vital importance in providing required pilot services.
- SEC. 4. Section 1105 of the Harbors and Navigation Code is 36 amended to read:
- 37 1105. This division applies to pilots for *Humboldt Bay*,
- 38 Monterey Bay, and the Bays of San Francisco, San Pablo, and
- 39 Suisun.

3

4

5

6

7

8

9

10

11

12

13

14 15

16

17

18

19

20 21

22

23

24

25

26

27

28

29

30

31

32

33

34

AB 2637 —4—

SEC. 5. Section 1110 of the Harbors and Navigation Code is amended to read:

- 1110. (a) "Bays of San Francisco, San Pablo, and Suisun"
 means all the waters of those bays and of the tributaries, ports, and
 harbors of those bays, and includes the water areas from the south
 end of San Francisco Bay and from the Ports of Sacramento and
 Stockton to the Golden Gate Bridge. "Bay of San Francisco, San
 Pablo, or Suisun" means any of those waters, respectively.
- 9 (b) "Humboldt Bay" means all the waters of that bay and of the tributaries, ports, and harbors of that bay.

(b)

11

14 15

16 17

18 19

20

21

22

23

2425

26

2728

29

- 12 (c) "Monterey Bay" means all the waters of that bay and of the tributaries, ports, and harbors of that bay.
 - SEC. 6. Section 1112 of the Harbors and Navigation Code is amended to read:
 - 1112. "High seas" includes all the navigable waters of the Pacific Ocean west of the Golden Gate Bridge, and all navigable waters west of the westward boundary of the pilotage grounds for *Humboldt Bay and* Monterey Bay.
 - SEC. 7. Section 1114.5 of the Harbors and Navigation Code is amended to read:
 - 1114.5. "Pilotage grounds" means all waters extending eastward from the precautionary area surrounding buoy SF to, and including, the Bays of San Francisco, San Pablo, and Suisun, and also includes the waters of *Humboldt Bay, eastward of a straight line drawn between____, and the waters of Monterey Bay, eastward of a straight line drawn between Point Santa Cruz Light and Point Pinos Light.*
 - SEC. 8. Section 1125 of the Harbors and Navigation Code is amended to read:
- 31 1125. (a) Pilots A pilot licensed by the board have has 32 exclusive authority, to the extent not provided otherwise by federal law, to pilot vessels from the high seas to Humboldt Bay, Monterey 33 34 Bay, and the Bays of San Francisco, San Pablo, and Suisun and 35 the ports thereof, and from those bays and ports to the high seas. They A pilot shall also have exclusive authority to pilot vessels 36 37 within and along the waters of those bays, except as otherwise set 38 forth in this division.
- 39 (b) Nothing in this division shall interfere with pilotage 40 regulations of *Humboldt Bay*, Monterey Bay, and of the Ports of

5 AB 2637

Sacramento and Stockton, nor prevent the regulatory authority of those ports from utilizing the pilots a pilot licensed pursuant to this division.

- SEC. 9. Section 1126 of the Harbors and Navigation Code is amended to read:
- 1126. (a) Every-A person who does not hold a license as a pilot or as an inland pilot issued pursuant to this division, and who pilots-any a vessel into or out of any a harbor or port of Humboldt Bay, Monterey Bay-and, or the Bay of San Francisco, San Pablo, or Suisun, or who acts as a pilot for ship movements or special operations upon the waters of any of those bays, is guilty of a misdemeanor. In addition to the fines or other penalties provided by law, the court may order that person to pay to the pilot who is entitled to pilot the vessel the amount of pilotage fees collected. No fees A fee shall not be paid for pilotage if a state-licensed pilot refuses to join the vessel under paragraph (5) of subdivision (c).
- (b) Any A person may also be enjoined from engaging in the pilotage prescribed by subdivision (a) by a court of competent jurisdiction.
 - (c) This section does not apply to any of the following persons:
- (1) The master of a vessel who has relieved the pilot to ensure the safe operation of the vessel, but only from the point where the pilot is relieved to the closest safe berth or anchorage, or the high seas if closer than a safe berth or anchorage.
- (2) Persons A person piloting vessels a vessel pursuant to the valid regulatory authority of the Port of Sacramento or the Port of Stockton.
- (3) Persons A person piloting vessels a vessel sailing under an enrollment, as specified in Section 1127.
- (4) Persons A person piloting vessels a vessel pursuant to Section 1179.
- (5) Persons—A person piloting—vessels a vessel when a state-licensed pilot refuses to join the vessel. However, a vessel may shall not hire a pilot not licensed by the state until a representative of the vessel notifies the port agent or his or her designee that the vessel will hire a pilot not licensed by the state unless a state-licensed pilot offers to join the vessel immediately. The port agent or his or her designee shall notify the executive director of the board or his or her designee that this paragraph
- 40 applies.

AB 2637 -6-

(d) The exemption set forth in paragraph (5) of subdivision (c) does not apply in instances where a state licensed pilot refuses to join a vessel because of suspected safety violations concerning that vessel's pilot hoists or pilot ladders.

- SEC. 10. Section 1127 of the Harbors and Navigation Code is amended to read:
- 1127. (a) The Legislature finds and declares that it is the policy of the state to ensure the safety of persons, property, and vessels using the waters of *Humboldt Bay*, Monterey Bay, and the Bays of San Francisco, San Pablo, and Suisun and to avoid damage to those waters and surrounding ecosystems as a result of vessel collision or damage by providing competent, efficient, and regulated pilotage for vessels required by this division to secure pilotage services.
- (b) Nothing in this This section shall does not supersede, modify, or otherwise alter pilot practices that are not safety related, including, but not limited to, the determination of rates charged for pilot services or employer-employee relationships for individuals, agencies, or organizations involved in providing pilotage services between any a port of Humboldt Bay, Monterey Bay—and, or the—Bays Bay of San Francisco, San Pablo,—and or Suisun and—any other another port of the United States that is in existence on December 31, 1995, or otherwise abridge the authority of a local port or harbor—districts district relating to pilotage in effect on December 31, 1995.
- (c) The board shall regulate pilotage on waters of the state as provided in this division.
- (d) Every—A vessel sailing under a coastwise license or appropriately endorsed registry and engaged in the coasting trade between—any a port of Humboldt Bay, Monterey Bay—and, or the Bays Bay of San Francisco, San Pablo,—and or Suisun and—any other another port of the United States is exempt from all pilotage charges unless a pilot or inland pilot is actually employed.—Every A foreign vessel and—every a vessel bound between a foreign port and—any a port of Humboldt Bay, Monterey Bay—and, or the—Bays Bay of San Francisco, San Pablo,—and or Suisun, and—every a vessel sailing under a register between—any a port of Humboldt Bay, Monterey Bay—and, or the—Bays Bay of San Francisco, San Pablo, and or Suisun and—any—other another port of the United States.

7 AB 2637

shall use a pilot or inland pilot holding a license issued pursuant to this division, except as otherwise provided by law.

- (e) Subdivision (d) does not apply to a vessel that is less than 300 gross tons and is manufactured and used for private recreation.
- SEC. 11. Section 1128 of the Harbors and Navigation Code is amended to read:
- 1128. Any A nonself-propelled vessel in tow of a tug within *Humboldt Bay*, Monterey Bay and, *or* the Bay of San Francisco, San Pablo, or Suisun, or between those bays, is exempt from pilotage charges unless a pilot is actually employed.
- SEC. 12. Section 1132 of the Harbors and Navigation Code is amended to read:
- 1132. Every A pilot in charge of a vessel arriving in *Humboldt Bay*, Monterey Bay-and, or the Bay of San Francisco, San Pablo, or Suisun, shall safely moor the vessel in place and position as directed by the master of the vessel, consistent with safe navigation and not contrary to law.
- SEC. 13. Section 1133 of the Harbors and Navigation Code is amended to read:
- 1133. Every A pilot in charge of a vessel leaving the Bays of San Francisco, San Pablo, and Suisun shall pilot it from its point of departure to a point beyond the San Francisco bar. Every A pilot in charge of a vessel leaving *Humboldt Bay or* Monterey Bay shall pilot it from its point of departure to a point westward of the pilotage grounds.
- SEC. 14. Section 1140 of the Harbors and Navigation Code is amended to read:
- 1140. (a) No-A person shall *not* hold both a pilot license and an inland pilot license concurrently.
- (b) It is the intent of the Legislature to provide for a unified system of state regulated pilotage for *Humboldt Bay*, Monterey Bay, and the Bays of San Francisco, San Pablo, and Suisun.
- (c) The Legislature finds and declares that unified pilotage will be beneficial to the safety of people, vessels, and property using those bays and tributaries.
- (d) The Legislature further finds and declares that unified systems of regulated pilotage are common to the ports of the world and are most familiar to, and best able to serve, both foreign and domestic vessels.

AB 2637 -8-

SEC. 15. Section 1141 of the Harbors and Navigation Code is amended to read:

- 1141. (a) Each-A pilot license shall be valid for a period of one year and shall be renewed upon application and successful completion of the physical examination required by Section 1176.
- (b) A pilot license shall not be renewed if the pilot possessing the license does not actively pilot vessels for—any *a* consecutive period of one year, unless the board determines the pilot is qualified and makes one of the following findings:
- (1) The pilot has presented satisfactory proof of medical disability during that period.
- (2) The board has granted the pilot a leave of absence without pay during that period.
 - (3) The pilot has been serving as port agent under Section 1130.
- (c) A pilot licensee shall at all times hold an active and proper license to pilot vessels on the waters on which the pilot operates.
- (d) The board may revoke or suspend the license of any a pilot who does not use proper equipment maintained exclusively for pilotage or who operates on territorial waters not described in the license. This subdivision shall not be construed to require the use of a pilot boat in order to provide pilotage services for *Humboldt Bay or* Monterey Bay.
- SEC. 16. Section 1150 of the Harbors and Navigation Code is amended to read:
- 1150. (a) There is in the Business, Transportation and Housing Agency a Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun, consisting of seven members appointed by the Governor, with the consent of the Senate, as follows:
- 30 (1) Two members shall be pilots licensed pursuant to this 31 division.
 - (2) Two members shall represent the industry and shall be persons currently engaged as owners, officers, directors, employees, or representatives of a firm or association of firms that is a substantial user of pilotage service in *Humboldt Bay, Monterey Bay, or* the Bay of San Francisco, San Pablo, *or* Suisun, or Monterey, one of whom shall be engaged in the field of tanker company operations, and one of whom shall be engaged in dry cargo operations. The board of directors of a regional maritime trade association controlled by West Coast vessel operators that

-9- AB 2637

specifically represents the owners and operators of vessels or barges engaged in transportation by water of cargo or passengers from or to the Pacific area of the United States shall nominate, rank, and submit to the Governor the names of three persons for each category of industry member to be appointed.

- (3) Three members shall be public members. Any A person may serve as a public member unless otherwise prohibited by law, except that during his or her term of office or within the two years preceding his or her appointment, no a public member appointed may shall not have (A) any a financial or proprietary interest in the ownership, operation, or management of tugs, cargo, or passenger vessels, (B) sailed under the authority of a federal or state pilot license in waters under the jurisdiction of the board, (C) been employed by a company that is a substantial user of pilot services, or (D) been a consultant or other person providing professional services who had received more than 20 percent in the aggregate of his or her income from a company that is a substantial user of pilot services or an association of companies that are substantial users of pilot services. Ownership of less than one-tenth of 1 percent of the stock of a publicly traded corporation is not a financial or proprietary interest in the ownership of tugs, cargo, or passenger vessels.
- (4) Notwithstanding any other provision of law, this chapter does not prohibit the Governor from notifying the nominating authority identified in paragraph (2) that persons nominated are unacceptable for appointment. Following that notification, the nominating authority shall submit a new list of nominees to the Governor, naming three persons, none of whom were previously nominated, from which the Governor may make the appointment. This process shall be continued until a person nominated by the nominating authority and satisfactory to the Governor has been appointed.
- (b) Each of the members—A member appointed pursuant to paragraphs (1) and (2) of subdivision (a) shall be appointed for a four-year term, and—may shall not be appointed for more than two terms.—Members A member appointed pursuant to paragraph (3) of subdivision (a) shall be appointed with staggered four-year terms with the initial four-year terms expiring on December 31 of the years 1988, 1990, and 1991, respectively, and a person—may shall not be appointed for more than two terms. Vacancies on the

AB 2637 — 10—

board for both expired and unexpired terms shall be filled by the appointing power in the manner prescribed by subdivision (a).

- 3 (c) A quorum of the board members consists of four members.
- 4 All actions of the board shall require the vote of four members, a quorum being present.
 - (d) The Secretary of the Business, Transportation and Housing Agency shall serve as an ex officio member of the board who, without vote, may exercise all other privileges of a member of the board.
- SEC. 17. Section 1170.3 of the Harbors and Navigation Code is amended to read:
 - 1170.3. (a) The board shall adopt, by regulation, a pilot's conflict-of-interest code, which shall include, but need not be limited to, a provision specifying that a pilot shall not have any interest in, or derive any income from, any tugboat in operation on *Humboldt Bay*, Monterey Bay, and the Bays of San Francisco, San Pablo, and Suisun. This requirement of divestiture does not apply to the ownership of barges and vessels similar to barges.
 - (b) The conflict-of-interest code shall not prohibit the ownership of stock in—any *a* corporation registered on a national securities exchange or on the National Market System of the NASDAQ Stock Market, pursuant to Section 78f of Title 15 of the United States Code, which may own tugboats in operation on *Humboldt Bay*, Monterey Bay, and the Bays of San Francisco, San Pablo, and Suisun.
 - SEC. 18. Section 1177 of the Harbors and Navigation Code is amended to read:
 - 1177. (a) All pilots A pilot licensed pursuant to this division shall have and maintain proper federal endorsements allowing them him or her to pilot on the high seas and on all waters of the Bays of San Francisco, San Pablo, and Suisun, excluding the San Joaquin River and the Sacramento deep water ship channel.
 - (b) Notwithstanding subdivision (a), all pilots a pilot issued an original licenses license pursuant to this division after December 31, 1987, shall have and maintain proper federal endorsements allowing them him or her to pilot on the high seas and on all waters of the Bays of San Francisco, San Pablo, and Suisun, including the San Joaquin River and the Sacramento deep water ship channel.
- 39 (c) All pilots A pilot licensed pursuant to this division for 40 Humboldt Bay and Monterey Bay shall have and maintain proper

-11- AB 2637

1 federal endorsements allowing-them him or her to pilot on the high 2 seas and on all the waters of *Humboldt Bay or Monterey Bay*, *respectively*.

SEC. 19. Section 1190.1 of the Harbors and Navigation Code is amended to read:

- 1190.1. Every (a) A vessel that uses a pilot under this division while navigating the waters of Monterey Bay shall pay the rate provided by subdivisions (a) and (e) of Section 1190.
- (b) A vessel that uses a pilot under this division while navigating the waters of Humboldt Bay shall pay the rate provided by subdivisions _____ of Section 1190.
- SEC. 20. Section 1192 of the Harbors and Navigation Code is amended to read:
- 1192. If a vessel that is subject to the payment of pilotage enters any a port of *Humboldt Bay*, Monterey Bay-and, or the Bays Bay of San Francisco, San Pablo, or Suisun solely by reason of being in distress or requiring care, it shall pay one-half the full pilotage rates.
- SEC. 21. Section 1195 of the Harbors and Navigation Code is amended to read:
- 1195. (a) In addition to other fees for pilotage, there shall be a surcharge in an amount established by the board for each movement of a vessel using pilot services for each pilot trainee who is enrolled in the pilot trainee training program established by the board.
- (b) The moneys charged and collected each month from the pilot trainee surcharge shall be paid to the board. The moneys shall be used only to fund the pilot trainee training program in the manner established by the board.
- (c) By action of the board, the board may adjust the amount established pursuant to subdivision (a) as necessary to efficiently administer the pilot trainee training program.
- (d) A pilot licensed for Humboldt Bay by the Humboldt Bay Harbor, Recreation, and Conservation District shall be accepted into the pilot trainee training program for training on the Bays of San Francisco, San Pablo, and Suisun.
- SEC. 22. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or

AB 2637 — 12 —

- infraction, eliminates a crime or infraction, or changes the penalty
- for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California

- 5 Constitution.